

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3197-15
Bill No.: Truly Agreed to and Finally Passed HS for HCS for SS for SCS for SB 675
Subject: Elections: Secretary of State
Type: Original
Date: May 31, 2002

FISCAL SUMMARY

FISCAL SUMMARY			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$95,687	(\$112,358)	\$79,828
Highway	(\$7,650)	(\$9,181)	(\$9,181)
Total Estimated Net Effect on <u>All</u> State Funds #	\$88,037	(\$121,539)	\$70,647

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Grants	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds *	\$0	\$0	\$0

* Federal grant monies would have a net fund balance of \$0 after distribution.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 11 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** assume no fiscal impact to the State's Courts.

Officials of the **Office of Attorney General** assume any additional duties or cost can be absorbed at current appropriation levels.

Officials of the **Office of Secretary of State (SOS)** stated they would need 2 FTE (Grant Officers) to administer the grants program contained in this proposal. Officials estimate costs for 2 Grant Officers with Fringe Benefits and Equipment at \$98,698 for 10 months of FY 2003; \$112,358; in FY 2004; and \$115,172 in FY 2005. Expenses includes **1)** a matching grant program which provides for federal funds to election authorities to purchase accessible voting equipment for individuals with disabilities or special needs, and would be **subject to appropriation; 2)** Federal matching grant for increasing pay for election judges, and would be **subject to appropriation; 3)** federal funds for youth voting program, which is **subject to appropriation**, and cost is unknown; **4)** provisional ballot costs are based on an estimate used by counties. Costs are estimated to be **\$10,000 in even numbered years.**

Officials from the **Office of Secretary of State (SOS)** assume there would be costs due to additional publishing duties related to the SOS authority to promulgate rules, regulations, and forms. SOS estimates the division could require approximately 28 new pages of regulations in the Code of State Regulations at a cost of \$27.00 per page, and 42 new pages in the Missouri Register at a cost of \$23.00 per page. Costs due to this proposal are estimated to be \$615, however, the actual fiscal impact would be dependent upon the actual rule-making authority and may be more or less. Financial impact in subsequent fiscal years would depend entirely on the number, length, and frequency of the rules filed, amended, rescinded, or withdrawn. SOS does not anticipate the need for additional staff as a result of this proposal.

Officials of the **Office of Administration (OA)** assume this proposal would have no increase in responsibilities. Officials stated that payments to counties where no filing fee is required for Committeewoman/man races, where there is only one candidate, would be eliminated. For OA, this proposal would affect budgeting for uncontested Committeewoman/man where there is no filing fee. The estimated costs of \$205,000 in even numbered calendar years would be eliminated.

Oversight will show a savings to the State's General Revenue Fund of \$205,000 in FY's 2003 and 2005.

ASSUMPTION (continued)

OA officials assume that the provisions of Section 115.126 (advanced voting) would only require local election authorities to prepare a plan for advanced voting, and not to conduct advanced voting in Presidential election years. Officials assume no state fiscal impact from this provision. OA officials in consultation with Secretary of State officials assume there would be no fiscal impact to state funds from changing the Presidential Primary from March to February, (Section 115.755).

Officials of the **Department of Revenue (DOR)** stated that their Customer Assistance Bureau manages operations in the driver license and motor vehicle registration field office. Officials assume the Bureau would require additional funding for postage associated with more frequent mailing of voter registration applications to local election officials (Section 115.151.3).

DOR officials assume that in order to comply with this legislation and to take into consideration the wide array of office business hours of all the field offices, the Customer Assistance Bureau would require each license office to mail the applications twice per week. Currently, offices mail the applications once per week. Officials estimate the additional cost of postage and supplies for 10 months of FY 2003 at (\$7,650); (\$9181) in FY 2004; and (\$9181) in FY 2005. Officials stated that cost would be to the State's Highway Fund.

Officials of the **Kansas City Board of Election Commission** stated that this proposal provides for a number of new duties. Officials estimate that a 10% increase in costs seems likely. Officials estimate that additional costs could be as much as \$38,750. Officials assume costs would be driven by providing bi-lingual ballots, instructional posters, youth voting, additional locations, and numerous rules for absentee procedure. Officials stated that the provisions of Section 115.507 that allows one of the election authorities in Kansas City, to be designated by the City to be the verification board, (Section 115.507). Officials stated there would be minimal costs associated with this provision.

Officials of the **Boone County Clerk's Office** stated that this proposal would have fiscal impact to Boone County.

Officials stated that Section I, Provisional Ballot, would increase cost, however, the increase in ballot cost would depend upon the number of ballots cast. Officials estimated that approximately 3,000 or less would be cast during a presidential election. Officials stated their office would have to investigate whether the voter was eligible to vote, therefore, causing employees overtime, and other related costs. Officials stated that costs would depend on the number of provisional ballots casts. The cost is (Unknown). Section 115.287 would generate per election costs of \$250 to \$1,200.

ASSUMPTION (continued)

Officials stated that there would be savings realized from the following changes:

- 1) Section 115.613- Removing uncontested County Committee races from the ballot. Officials estimate the there would be savings to the state of approximately \$10,000, and Boone County would realize savings of approximately \$8,000.

- 2) Section 115.081- Changing the number of Judges at the polling place would provide some savings. Officials stated that under current practices, if they need more than 4 workers they would have to provide 6 workers. This proposal would allow more flexibility and would allow us to use 5. Similarly, if the county would need more than 6 workers, the county would have to use 8 additional workers. At approximately \$100 per worker the county would save a considerable amount over the course of 4 or 5 elections in a year.

- 3) Section 115.163- Authorizing use of NCOA program. This cuts mailing costs for undeliverable mail from .33 to .15. Savings, (based on prior mailings of approximately 4,000 letters every 2 years), to Boone County would be approximately \$720. Boone County has a highly mobile population.

- 4) Section 115.077- \$25,000 to \$50,000 savings based on 2000 election.

Jefferson County Officials assume there would be additional costs, however, they were unable to estimate the costs. Officials assume costs is unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
 GENERAL REVENUE FUND			
<u>Savings</u> to Office of Administration Committeewoman/man election costs (Section 115.617)	<u>\$205,000</u>	<u>\$0</u>	<u>\$205,000</u>
Total Savings to Office of Administration	<u>\$205,000</u>	<u>\$0</u>	<u>\$205,000</u>
 <u>Income</u> to Secretary of State from Federal Grants **	 \$0 to Unknown	 \$0 to Unknown	 \$0 to Unknown

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Cost to Secretary of State			
Personal Service (2 FTE)	(\$66,707)	(\$82,050)	(\$84,101)
Fringe Benefits	(\$24,021)	(\$29,546)	(\$30,285)
Equipment	(\$7,970)	(\$762)	(\$786)
Expense:			
Promulgate Rules Publication Cost .	(\$615)	(Minimal)	(Minimal)
Provisional Ballot forms (Section 1)	(\$10,000)	\$0	(\$10,000)
Grant-Youth Voting Program (Section 115.801) Federal Match Grant **	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Grant-Election Equipment (Section 115.074 and 115.076) Federal Grant**	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Grant-Election Judges Pay (Section 115.098) Federal Grant**	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Advanced Voting Program (Section 115.126) General Revenue*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Costs to Secretary of State	<u>(\$109,313)</u>	<u>(\$112,358)</u>	<u>(\$125,172)</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	<u>\$95,687</u>	<u>(\$112,358)</u>	<u>\$79,828</u>

* Subject to Appropriation

** Federal Grant money should net to \$0

HIGHWAY FUND

Costs to Department of Revenue for postage and supplies (Section 115.151.3)	(\$7,650)	(\$9,181)	(\$9,181)
ESTIMATED NET EFFECT TO HIGHWAY FUND	<u>(\$7,650)</u>	<u>(\$9,181)</u>	<u>(\$9,181)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
ESTIMATED NET EFFECT TO LOCAL GOVERNMENTS ***	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

*** Subject to Appropriation**
**** Federal Grant- Matching Funds**
Subject to Appropriation
***** Federal Grants income and costs would have a net effect of \$0. Counties would have costs associated with matching federal grants.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act modifies numerous election law provisions.

COPYING FEES (Section 28.160) - This act revises the amount that can be charged for services rendered by the secretary of state. This act limits the state's allowable fee for processing certain adoption documents to \$100 per child per adoption, or per multiple children adopted at the same time. Current law allows a fee of \$10 per document.

MUNICIPAL CANDIDATES (Section 71.005) - The act prohibits any person from being a candidate for municipal office if such person has failed to pay municipal taxes or user fees.

DEFINITIONS (Section 115.013) - The act modifies definitions for ballot, electronic voting system, and municipality. A definition for "relative within the second degree of consanguinity or affinity" is created.

GRANT PROGRAMS- The act sets up a number of grant programs, some of which are subject to appropriation from federal funds and in the form of matching grants:

- Election equipment upgrades with priority to jurisdictions with the highest number of residents below the poverty level (115.074);
- Improving accessibility for individuals with disabilities with priority to jurisdictions with the highest number of residents below the poverty level (115.076);
- Increasing the compensation of election judges with priority to jurisdictions with the highest number of residents below the poverty level (Section 115.098);
- Youth voting programs (Section 115.801); and a program to allow election authorities to receive federal grants (Section 115.803).

DESCRIPTION (continued)

ELECTION JUDGES - The act changes the number of election judges needed for primary and general elections and non-primary and non-general elections. No party shall have a majority of judges at a polling place. An election authority may appoint judges from other established parties and non-affiliated judges. Any decision shall be made by the major political party judges (Section 115.081). -In jurisdictions without a board of election commissioners, the parties may submit names of judges to the election authority. County clerks can make the decisions on judges if the clerk serves as the election authority (Section 115.087).

-The act allows boards of election commissioners to compile lists of non-partisan judges (Section 115.089).

-Provisions are included to ensure that no party has a majority of judges (Sections 115.095, 115.097 and 115.099).

-Provides that the election authority, not the legislative authority of each county and St. Louis city, shall determine the amount paid to election judges (Section 115.101).

EMPLOYEE PROTECTION (Section 115.102) - Prohibits adverse action against employee by employer for the employee serving as election judge.

TIME OF ELECTIONS (Section 115.123) - Expands election days in June and August.

ADVANCED VOTING (Section 115.126) - Election authorities shall establish a plan to implement an advanced voting system for use in presidential election years. Voting would begin 14 days before an election. The polls may be open on Saturday, Sunday and holidays.

SPECIAL ELECTIONS (Section 115.127) - The election authority in jurisdictions with less than 750 registered voters and no qualified newspaper may send notice of the election by first class mail to each registered voter. Currently, such provision only applies to jurisdictions with less than 500 registered voters.

QUALIFICATIONS OF VOTERS (Sections 115.133 and 115.135) - With certain exceptions related to being a new resident, a person shall not be allowed to vote unless registered in the jurisdiction where the person resides.

REGISTRATION (Section 115.137) - Technical changes to require person to be registered in accordance with this chapter.

DESCRIPTION (continued)

VOTER REGISTRATION AGENCIES (Sections 115.151, 115.160, 115.162) - Voter registration agencies are required to transmit all voter registration applications to the appropriate election authority within five business days.

VOTER INFORMATION (Section 115.157) - Certain individuals are exempted from the public disclosure of their residential addresses.

ABSENTEE BALLOTS (Section 115.159) - A person cannot vote by absentee ballot until after first voting in person with proper identification or providing a copy of acceptable identification to the election authority, with some exceptions for incapacitated persons. Persons responsible for the care of incapacitated persons may vote by absentee ballot and active duty military personnel may only vote by absentee ballot for certain federal offices (Sections 115.277, 115.283). The act requires election authorities to deliver absentee ballots at certain times before an election. (115.284). Applications for ballot can be made by fax (Section 115.279). Certain relatives can deliver and return ballots (Section 115.287). Overseas federal personnel can send ballot by fax (Section 115.291).

VOTER CANVASSING (Sections 115.163, 115.179) - Allows election authority to use postal service to identify incorrect addresses and canvass voters. Before removing a voter from the registration records, a confirmation notice must be sent to the voter's corrected address as identified by the National Change of Address program.

DECEASED, FELONS, INCAPACITATED PERSONS (Section 115.195) - Certain local officials are required to provide monthly information on deceased persons, new felons and newly adjudged incapacitated persons to the election authority and the Secretary of State. The Secretary of State is responsible for notifying the election authority in which the deceased person, felon or incapacitated person resides or resided.

COMPUTERIZED VOTING SYSTEMS (Section 115.225) - The Secretary of State shall promulgate rules to allow the use of computerized voting systems. The act provides that the election authority must have the equipment tested within 14 days of the election. (Section 115.233). The Secretary of State shall develop uniform standards for ballot layout for computerized ballot systems (Section 115.237).

NOMINATING COMMITTEES (Sections 115.365 and 115.367) - The act provides that in special elections, the nominating committee shall be based on the old districts before a decennial redistricting.

DESCRIPTION (continued)

INTERNATIONAL OBSERVERS (Section 115.409) - Allows registered international observers to be admitted to polling place.

VOTER INSTRUCTIONS (Sections 115.417 and 115.419) - Voter instructions of a certain size must be posted at each polling place. The Secretary of State can develop multi-lingual voting instructions and sample ballots.

BUTTERFLY BALLOTS (Section 115.420) - Butterfly ballots are prohibited unless approval is granted by the Secretary of State. The Secretary must act on requests within two business days.

VOTER IDENTIFICATION (Section 115.427) - Before voting, a person must show an approved form of personal identification issued by certain government agencies or Missouri post-secondary school. Personal knowledge of the voter by two supervisory election judges is acceptable voter identification.

VOTING PROCEDURES - Provides that any question of doubt regarding a person's identity or qualifications to vote shall be decided by a majority of the judges from the major political parties. (Section 115.429). Technical changes to procedure for initialing of ballot by judges to allow for initialing by judge of major political party and judge with no political affiliation(Section 115.433). All stickers used on a ballot must conform to rules of the Secretary of State (Section 115.439). Technical change to ballot retention statute (Section 115.493).

VOTER INTENT (Section 115.453) - Election judges shall use regulations adopted by the Secretary of State to determine voter intent.

VERIFICATION BOARD (Section 115.507) - Authorizes Kansas City to select an election authority from one of the four counties in which the city is located to act as its verification board.

POLITICAL PARTY COMMITTEES (Section 115.613) - No election will be held if only one candidate for committeeman in a district files prior to the deadline. The election authority shall, within six months after the decennial census is reported to the President, adopt a reapportionment plan for purposes of political party committees. If the election authority fails to do so, the act sets forth procedures for the county commission to adopt a plan (115.607).

PRESIDENTIAL PRIMARY (Section 115.755) - The act changes the date from March to February.

DESCRIPTION (continued)

PROVISIONAL VOTING (Section 1) - The act establishes a system of provisional voting in cases where the eligibility of a voter cannot be immediately established. The system only applies to primary and general elections where candidates for federal and statewide offices are nominated or elected and elections where statewide issues are submitted to the voters.

This act contains an emergency clause with respect to section 115.613 regarding political committee elections.

SOURCES OF INFORMATION

Office of Secretary of State
Office of Attorney General
Office of State Courts Administrator
Office of Administration-Division of Budget and Planning
Department of Revenue
Boone County Clerk
Kansas City Board of Election Commission
Jefferson County Clerk



Mickey Wilson, CPA
Acting Director
May 31, 2002